

Investment advice and certification training

Summary

Gronstedt Group was retained by a leading investment services provider (hereafter referred to as The Company) to develop a comprehensive computer-based training program for its Investment Consultants (ICs). The suite of custom-developed interactive simulations teaches and certifies consultants on how to put a new portfolio planning application to work providing the firm's customers with the best possible investment advice.

Challenge

The Company services several million customer accounts with a broad range of brokerage, mutual fund, banking, and other consumer financial products. Looking to leverage its leading brokerage firm position, The Company recently launched a multi-million integrated advertising campaign promoting services, low fees, and focus on advice and research services. Specifically, the new ads draw attention to the service-minded investment professionals in the firm's branches nationwide.

Living up to the high expectations set by the advertising campaign is a tall order. The most critical aspect of successful marketing is the quest to get front-line employees who are the voice and face of the brand to deliver on the brand promise. Success of the campaign hinges on The Company executing on the message at the points of contact between customers and ICs.

The Company thus faced the challenge of training close to a thousand ICs on a new process and software application for personal portfolio planning. A traditional approach of running three-day instructor-led training sessions would be costly, time consuming, inconsistent, and not necessarily effective.

Solution

The Company opted for a blended learning approach. Instead of the planned three-day instructor-led program, The Company now requires ICs to take a five-hour digital simulation in preparation for a one-day training program led by local managers. The simulation moves between simulated interactions and technical screen training on the new system. Intense competition in the brokerage industry and the distributed nature of ICs suggest the value of this e-learning and train-the-trainer combination.

The Company retained the Gronstedt Group to develop the digital training component. Entitled "Advising Mr. Elliot," the five-hour program features a fictitious client, Mr. Elliot, a middle-aged man. The virtual guide through the simulation is the hard-charging, yet affable, Coach Joe. The user simulates a financial planning session with Mr. Elliot, selecting questions to ask and watching Mr. Elliot's responses. If Mr. Elliot is asked about his future plans, he will describe his dream of buying a retirement home in Sarasota, Florida, right down to the seawall and the boat slip. But if the trainee crosses the line and gets too nosy about Mr. Elliot's relationship with a competing brokerage, the client turns testy and backs away.



Part of the application is essentially a financial advising "flight simulator," in which the Investment Consultant is charged with eliciting the needs of the on-screen customer, suggesting appropriate solutions and defending them in the face of client concerns. By playing these applied learning games, the Investment Consultants are offered a chance to ask probing questions, uncover customer needs, dispense accurate investment advice, and position offerings as deeper strategic solutions all in one interaction – no small task. The on-screen customer, Mr. Elliot, reacts to the questions asked and advice given, providing immediate feedback and a rapid-paced learning environment. This simulation helped The Company standardize the way its Investment Consultants handle customers – their knowledge base, customer service skills, and objection handling.

The entire training program is structured as a certification test. Quizzes and simulations have to be passed to qualify the participant for the final "advice challenge," an online simulation in which learners put it all together and guide a customer through a comprehensive financial planning session. ICs have to pass the computer-based certification to participate in the live instructor-led session.

The rollout was cascaded through the organization. Initially, managers were required to get certified with the digital simulation before they could participate in a live training session. Later, the managers led live sessions for their direct reports.

Result

The immediately quantifiable improvement in *efficiency* is easy enough to estimate. Cost savings associated with migrating two of the three training days online are in the half-million dollar range.

The business benefit from increased training *effectiveness* is more elusive, yet of critical importance. When surveyed right after the simulation, no less than 85% of participants answered "yes" to the question: "Would you like The Company to provide more computer-based training programs like this one?" Most importantly, the training helps The Company live up to its brand promise of staffing its 150 branches with service-minded Investment Consultants who can provide professional portfolio reviews.

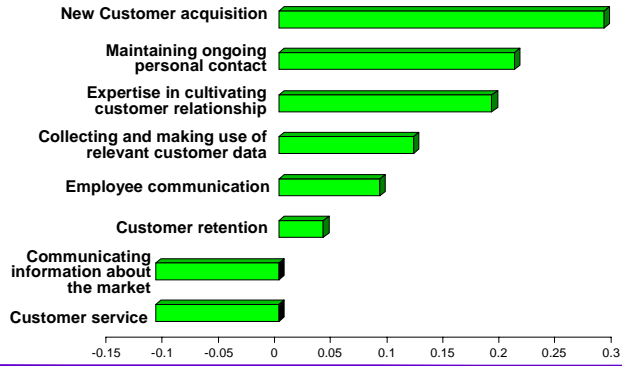
Below are a few examples of responses from the open-ended question: "How do you think this training will impact the level of advice and customer service you provided?"

- "This training will take our advice to a new level."
- "It should help dramatically."
- "It will provide me with confidence and credibility."
- "I'll be much more prepared and able to present a much more professional service with greater value."
- "It will enable me to further sell the The Company brand to my clients."

The Investment Consultants were surveyed before the rollout of the training and a few months after completion, to measure the efficacy of the learning program. The survey covered a range of IC attitudes toward customer service and financial advising and had response rates of 17% for the pre study and 54% for the post survey. The surveys revealed that the ICs have a significantly higher confidence level of their performance after the program. As seen in the graph below, six of the eight factors measured were improved, three of them with more than two tenth on a five point scale in just five months time.

Improvements from pre to post surveys on a 5-point scale

"How do you think The Company compares to other service industry companies on the following measures?"



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